



PRESS RELEASE

Paris, October 9th, 2012



PPR pursues its refocusing by launching a project of demerger and flotation of Fnac

The Board of Directors of PPR, during its meeting today, has unanimously approved the principle of the demerger and flotation of Fnac, a European leading retailer in entertainment and home electronics products, through the distribution of Fnac shares to the shareholders of PPR.

For the PPR Group, following the disposals of Conforama and CFAO, this project represents a major step forward in its refocusing and transformation into a worldwide apparel and accessories leader, in the luxury and sport & lifestyle segments.

Fnac holds a unique position in cultural, electronics and entertainment product markets. Fnac is an extremely robust brand, which enjoys strong awareness, a remarkable intimacy with its clients and a highly advanced multi-channel strategy through its store network and its website. More than a year ago, supported by PPR, Fnac engaged in a transformation and expansion plan, 'Fnac 2015', with the goal of strengthening its leadership position in its markets.

François-Henri Pinault, Chairman and CEO of PPR stated: *“With a 60 year success story, Fnac has unrivalled advantages to benefit from the evolution of its markets. This project of demerging Fnac reflects our strong confidence in the company’s future. Being independent and granted with autonomous resources, Fnac will be better positioned to fully achieve its growth potential, led by its current, committed and talented management. In parallel, this project will enable our Group to pursue its transformation and to fully focus on the development of its apparel and accessories brands”.*

Alexandre Bompard, Chairman and CEO of Fnac said: *“This demerger project is part of the dynamics of our transformation and expansion plan ‘Fnac 2015’ and will enable Fnac to implement its sustainable growth strategy autonomously.”*

The transaction, which is intended to go ahead in 2013, is being submitted to the consultation of works councils’ representatives of Fnac and PPR SA. Its detailed terms will be presented at a later stage.

As regards the disposal of Redcats, the process is under way and all options are being considered. The whole process will take several months and announcements are likely to be issued in the coming weeks.



About PPR

The PPR Group empowers a coherent ensemble of Luxury and Sport & Lifestyle premium brands, specializing in apparel and accessories, to reach their full growth potential. Distributed in more than 120 countries, PPR generated revenues of €12.2 billion in 2011 and had over 47,000 employees at year end. The PPR share is listed on Euronext Paris (FR 0000121485, PRTP.PA, PPF.P).

Find out more on Gucci, Bottega Veneta, Yves Saint Laurent, Alexander McQueen, Balenciaga, Brioni, Stella McCartney, Sergio Rossi, Boucheron, Girard-Perregaux, JeanRichard, Puma, Volcom, Cobra, Electric, Tretorn and Fnac at www.ppr.com.

About Fnac

Fnac, a subsidiary of PPR, is the leading retailer of entertainment and home electronics products in France. It operates 152 stores (as of June 30th, 2012), 65 of which are outside of France (Belgium, Brazil, Spain, Italy, Portugal, Switzerland and Morocco) and 7 airport and train station stores.

Its www.fnac.com website is one of the foremost BtoC e-commerce sites in France in terms of the audience it reaches, with an average of 750,000 unique visitors daily.

Fnac employs more than 18,000 people and reported €4.2 billion in sales in 2011.



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